

Sievi Capital

Company report

5/05/2022 20:50



Olli Vilppo
+358 40 761 9380
olli.vilppo@inderes.fi



Sauli Vilén
+358 44 025 8908
sauli.vilen@inderes.fi

✓ Inderes corporate customer

This report is a summary translation of the report "Osake valunut alelaariin" published on 5/5/2022 at 8:48 pm

**inde
res.**

Share has slipped to the bargain bin

We reiterate our EUR 1.80 target price for Sievi Capital and raise our recommendation to Buy (previously Accumulate). Our estimate of the company's sum of the parts has remained unchanged and the discount relative to this has become exceptionally wide. We feel the company's risk/return ratio has become very attractive as the investor gains a significant safety margin for the purchase.

Twofold quarter

The Q1 of the biggest holding Indoor was a clear disappointment when net sales fell and the result weakened significantly. The main reasons are supply chain challenges, cooling domestic demand and the company's ERP project. The company's second crown jewel KH-Koneet's Q1 was a joy to read. The company's net sales increased by 40% and availability challenges have depressed it surprisingly little. The market situation also seems to be very favorable. The company's earnings rose significantly in the seasonally weak quarter. In terms of smaller holdings, the report contained no major surprises. Logistikas continued growing strongly driven by acquisitions and HTJ's performance seems good on all fronts. NRG still seems to be facing clear challenges. Contrary to our expectation, the NAV of Sievi's investments fell slightly from the level of the year-end to EUR 1.57 per share (2021: EUR 1.61).

Sum of the parts unchanged, KH-Koneet on its way to become the most valuable holding

We have revised our view of Indoor's value downward to EUR 58 million (previously 68 MEUR) due to decreased earnings estimates. We also point out that the valuation levels of domestic trading companies have been under intense pressure recently. 2022 will be a gap year for Indoor due to the ERP project and nesting hangover. The result should make a clear level adjustment in 2023-2024 and we remain confident that Indoor will be able to produce a steady cash flow for Sievi's owners. We have revised our view on KH-Koneet's value clearly upward (53 MEUR vs. 42 MEUR). This is based on increased growth and earnings estimates. It is important for investors to note that we are still quite cautious about KH-Koneet in our profitability estimates and the valuation multiples we apply are conservative. In terms of value development of the target companies, the greatest potential is, in our opinion, still directed at KH-Koneet, which, if strong growth continues, could increase its value clearly, both through earnings growth and a gradually increasing acceptable valuation level. For other holdings, changes are small at Group level due to their small size classes. In NRG we added a clear safety margin to our estimates and valuations due to the company's continuing problems. Logistikas' and HTJ's values were revised upwards thanks to their excellent development. As a whole, our view of the sum of the parts has remained almost unchanged and now stands at EUR 1.85 per share.

Share is unjustifiably priced drastically below the sum of the parts

Since our last update, Sievi's share price has fallen sharply and the discount relative to the sum of the parts has increased significantly. In our opinion, a reduction in our already relatively conservative sum of the parts is not justified and we feel the share provides a significant safety margin at the current price. We believe the company needs a strategy update that provides steps for the company's direction in the coming years and for the materialization of the value of the parts in order for pricing to return to the level of the sum of the parts. Based on management comments, the strategy update can come soon and we believe this will be a clear driver for the share.

Recommendation

Buy

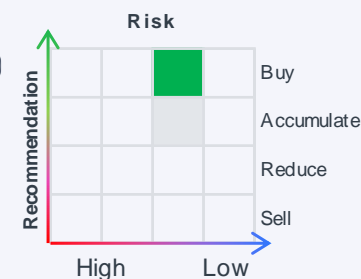
(previous Accumulate)

EUR 1.80

(previous EUR 1.80)

Share price:

1.36



Key figures

	2021	2022e	2023e	2024e
EBIT adj.	20.2	8.4	17.2	19.4
Net Income	18.4	6.9	13.8	15.5
EPS (adj.)	0.32	0.12	0.24	0.27
P/E (adj.)	6.1	11.5	5.7	5.1
P/B	1.2	0.8	0.7	0.7
Dividend yield-%	2.6 %	3.7 %	4.4 %	5.1 %
EV/EBIT (adj.)	5.3	7.6	3.5	3.0
EV/EBITDA	5.3	7.6	3.5	3.0

Source: Inderes

Changes in the sum of the parts

Indoor's value revised downward

We have revised our view of Indoor's value downwards. Indoor's result will dip clearly in 2022 due to the nesting hangover and the new ERP system. In our view, the company's normal performance is clearly higher than the current year and we believe that 2023-2024 estimates give a more accurate picture of the company's normal performance.

The valuations of Indoor's domestic peers (trading companies) have decreased clearly during the early part of the year, which also lowers Indoor's acceptable multiples. In absolute terms, the valuation is still not particularly high (2023e: EV/EBITDA 6x and P/E ~12x), but in the current situation it is difficult to see that the acceptable valuation level would be higher than this.

KH-Koneet on its way to become the most valuable holding

We have revised our view on KH-Koneet's value clearly upward. This is based on increased growth and earnings estimates. It is important for investors to note that we are still quite cautious about KH-Koneet in our profitability estimates and we expect the profitability level to be well below historical levels. Although the profitability level of Swedish operations is structurally lower than in Finland, the company has the potential to achieve higher profitability levels than we estimate.

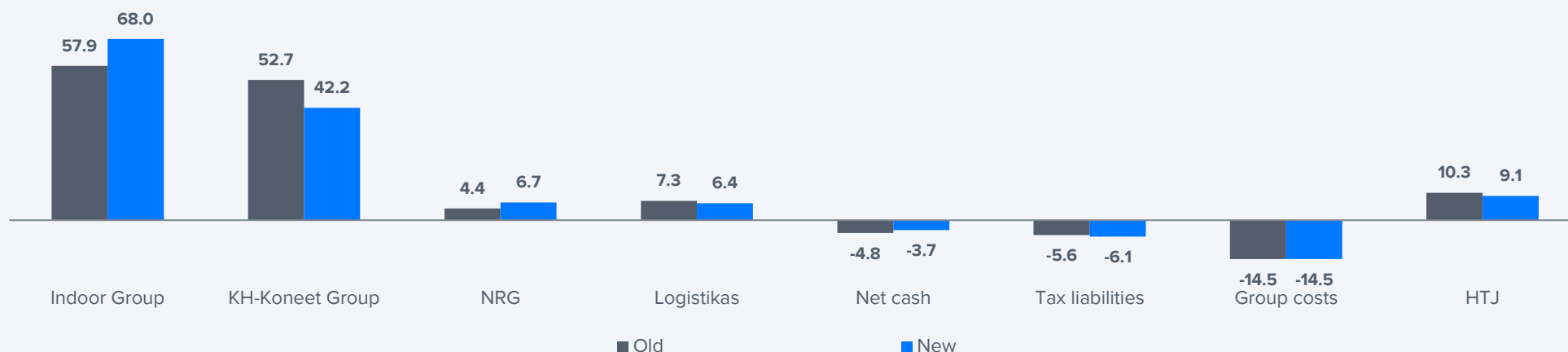
In addition, the company's valuation multiples are quite modest and reflect the multiples used in industrial trade (2023 P/E ~7x). For example, if KH-Koneet were to be listed on the stock exchange, the acceptable valuation level would be clearly higher

than currently. We see realistic conditions for KH-Koneet to become the most valuable part of Sievi during 2023.

No major changes in other holdings

For other holdings, changes are small at Group level due to their small size classes. In NRG we added a clear safety margin to our estimates and valuation due to the company's continuing problems. Logistikas' and HTJ's values were revised upwards thanks to their excellent development.

 Changes to sum of the parts



Valuation

Company-specific estimates and the valuation multiples we use are presented in full on pages 5-9. On pages 10-11, we present the valuation of the holdings' peer groups. The sum of the parts we calculate for Sievi Capital is EUR 108 million or EUR 1.85 per share. The value has remained unchanged as the rise of KH-Koneet, HTJ and Logistikas reversed the valuation drops of Indoor and NRG.

Excellent track-record

Sievi's historical return on capital is strong and the average ROE under the current operating model (2017-2021) is about 20%. The company's goal is to exceed 13% and when this is applied to the EUR 1.57 equity per share of Q1 EPS would be around EUR 0.20. When compared with the company's current share price, the P/E ratio is still very low, around 7x. We believe this depicts the value found in the company's parts and their undervaluation.

KH-Koneet is the value driver of the investment company

Key future value drivers for Sievi: 1) success in the development of existing target companies and 2) M&A transactions. In terms of the development of the target companies, the greatest potential is, in our opinion, directed at KH-Koneet, which, if strong growth continues, could increase its value clearly, both through earnings growth and a gradually increasing acceptable valuation level. For Indoor, we expect a clear earnings recovery from the 2022 slump in 2023-2024, but believe that in the long term, earnings growth will be relatively challenging. The value of Indoor for Sievi is currently formed especially through the stable strong cash flow it generates.

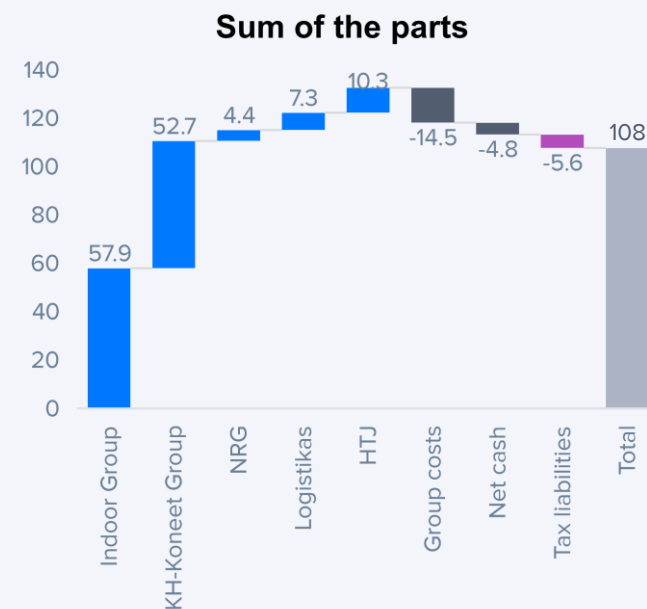
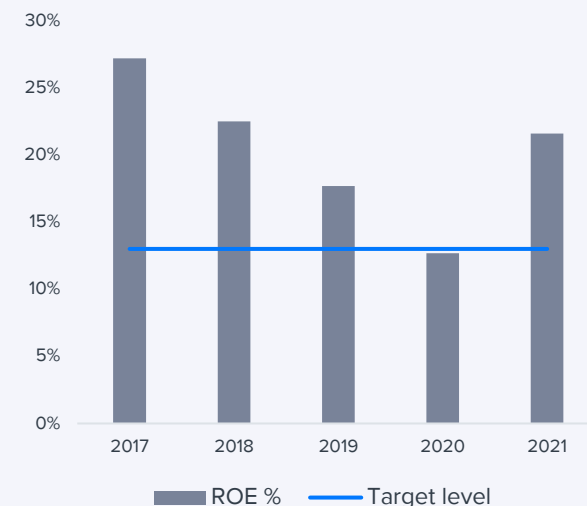
With their capital-light businesses Logistikas and HTJ also generate good cash flow and their values have good preconditions for positive development at current earnings levels as net liabilities decrease. Both can also make synergistic acquisitions under Sievi to boost growth.

NRG's turnaround still progresses slowly and even if this is partly due to external factors the company seems to have clear internal challenges as well. Although we expect the company to be clearly in black this year, it still has a long way to go to good profitability levels and the turnaround can take surprisingly long.

Waiting for a strategy update

Sievi did not update its strategy as part of the Q1 report. Based on the comments made by the company's management in our interview, the updated strategy could come out relatively quickly after the new Board of Directors starts (AGM May 11). The company has in the past very frankly said that the value is not properly reflected in the current investment company model and when looking at the company's current valuation level of it is easy to see.

We consider the company continuing with the current kind of investment model but moving to IFRS reporting a potential alternative. This would clearly improve the company's transparency and would probably support the valuation as the company's low pricing becomes more apparent. Different types of bigger structural arrangements are still possible, although a potential listing of Indoor could at the earliest take place in spring 2023 considering the current earnings capacity.



* NB! Our net cash does not consider the "other liabilities" line of Sievi's balance sheet related to the redemption option of KH-Koneet's and HTJ's minorities

Indoor Group

Indoor Group has been a very successful investment for Sievi Capital, especially through the strong cash flow the company generates.

Company description

Indoor Group Oy owns retail chains Asko and Sotka, and the company also includes the sofa factory Insofa Oy located in Lahti, as well as Indoor Group AS that is responsible for Estonian operations.

Business model

Indoor Group has a nationwide retail network in Finland. The importance of e-commerce has also increased in the company's multi-channel business model.

Investment story

Sievi Capital acquired a majority holding in Indoor Group in 2017 from Kesko. Especially in the COVID year the company's earnings improvement has been strong. The strategy updated in summer 2020 aims to continue improving profitability from the already achieved strong level.

Competitive advantage

Indoor Group's competitive edge is well-known brands, good market position and the high volumes it generates. The own sofa factory in Lahti also enables demand-driven product tailoring for Asko.

Estimate of earnings growth rate



Value creation potential



Risk profile



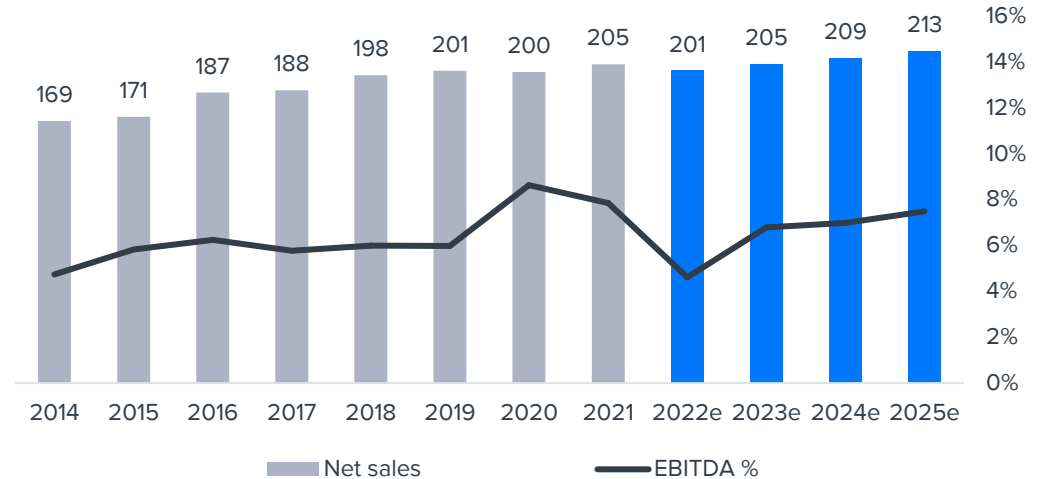
EV/EBITDA*
6.5x
2022e

Estimated EV*
174
MEUR

Holding
58.3%
2021

Holding
57.9
MEUR

Key figures and estimates **(FAS):



Value drivers

- Sharpening brands and pricing
- Utilizing customer data
- The source of growth is expansion of product groups and e-commerce
- Strong cash flow and good return on capital
- Streamlining operations by harmonizing background processes



Risk factors

- Slowdown in economic growth and COVID hangover
- Overall market growth has been slow before COVID
- Forcing growth through expensive acquisitions
- Tighter competition
- Successful upgrade of ERP system



Valuation

- Valuation is close to peer group pricing when the non-recurring ERP system costs are adjusted

*EV and EBITDA according to IFRS accounting **FAS accordant EBITDA in the graph to maintain a comparable time series In IFRS accounting, EBITDA is some EUR 17.3 million higher and net liabilities EUR 66.6 million higher than in FAS. The estimated drop in profitability in 2022 is explained by the ERP project (2021-2023), as the related cloud service investments (total. 6 MEUR) is treated as an expense.

KH-Koneet Group

KH-Koneet Group has been a very successful investment for Sievi Capital thanks to strong growth and successful acquisitions.

Company description

KH-Koneet Group is an importer and retailer of construction and earth-moving machinery. It also offers maintenance and spare part services. The company also has an earth-moving machinery rental company founded in 2018 and in 2019 the company expanded to Sweden with an acquisition.

Business model

KH-Koneet has a comprehensive network and service offering in Finland and now also in Sweden. There are very few intermediate stages in the supply chain. In the company's business model, the sellers are essential and the cost structure is flexible with its success.

Investment story

Sievi Capital invested in KH-Koneet Group in 2017. The growth of the group consisting of separate companies has been strong during the investment period. Now the company seeks profitable growth, especially in Sweden, where market shares are still low

Competitive advantage

The company has also been able to build strong relationships and a good negotiating position to both manufacturers and customers. The company's agile and self-directed organization also brings a clear competitive advantage.

Estimate of earnings growth rate



Value creation potential



Risk profile



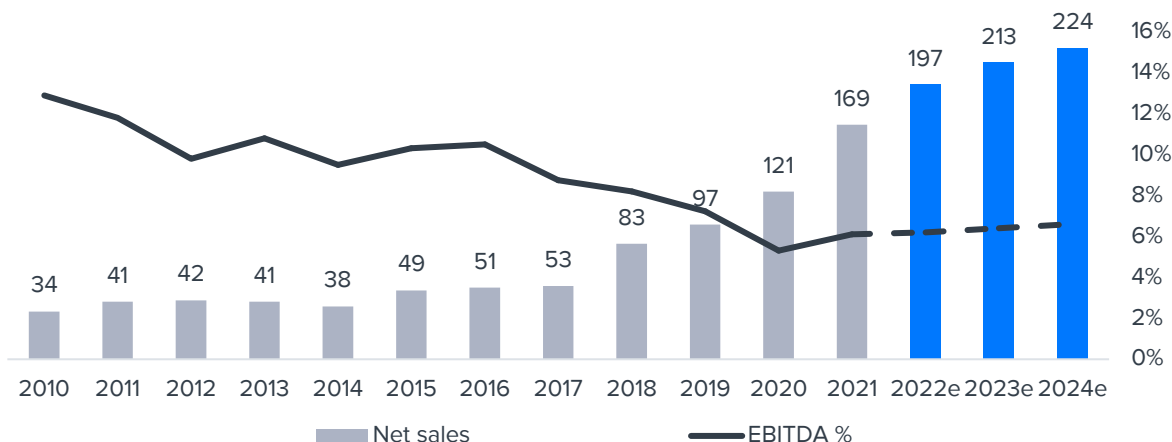
EV/EBITDA
6.0x
2022e

Estimated EV
73
MEUR

Holding
90.5%
2021

Holding
52.7
MEUR

Key figures and estimates:



Value drivers

- Sales growth in Sweden through expansion of the network and representation
- Introducing the operating model of KH-Koneet to Sweden and raising profitability Increasing rental activities
- Acquisitions



Risk factors

- Success of acquisitions
- Deterioration of the market situation
- Tightening competition
- Manufacturer's M&A transactions
- Effect of component shortage on availability
- As the Group grows, maintaining a self-directed culture can create challenges



Valuation

- We currently value the company with a conservative EV/EBITDA ratio of 6x with 2022 estimates
- A discount to peers is justified as the peers are large companies that manufacture construction and earth-moving machinery and that are priced at a clear premium compared to importers.

2010-2016 figures are pro-forma figures including Edeco Tools Oy, KH-Koneet Oy, KH-Engineering Oy

Nordic Rescue Group

The company carried out the acquisition in February 2020. We see significant growth potential in the export market. COVID has had a negative impact on the company's operations.

Company description

Saurus' premises are located in Jyväskylä and Vema Lift's in Kaarina. The Group has a strong position in Finland and also a significant share (about half) of net sales is exported. As the latest conquest, the company carried out an acquisition in Sweden

Investment story

The former owner of the companies Kiitokori sold the companies in a generation changeover. The strategic objective of NRG is to create an internationally known system supplier from previously separately managed companies.

Business model

Saurus' business consists of the assembly of rescue vehicles and Vema Lift manufactures hydraulic person lifts for fire and rescue services. Sales is targeted directly at domestic end customers. The company utilizes local partners in international sales.

Competitive advantage

Especially own product development and a competitive product portfolio are competitive advantages for the company. Strong brands and market position in Finland, skilled personnel and long customer relationships also bring competitive advantages.

Estimate of earnings growth rate



Value creation potential



Risk profile



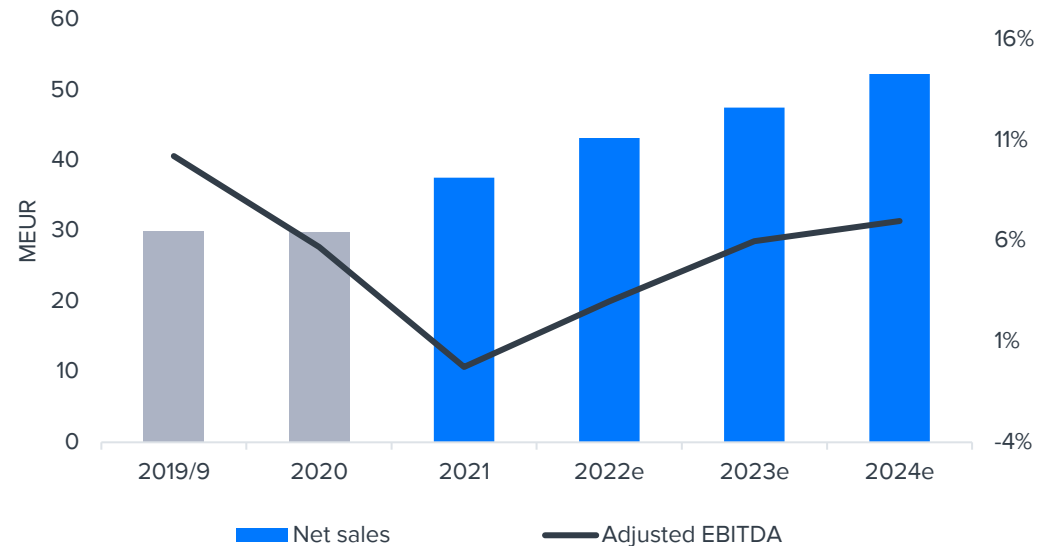
EV/EBITDA
10.4x
2022e

Estimated EV
13.5
MEUR

Holding
67.9%
2021

Holding
4.4
MEUR

Key figures and estimates:



Value drivers

- Turning the result profitable through measures initiated in Vema Lift
- Continued growth in international net sales
- Increasing production capacity at the rate of demand
- Accelerating production lead times and improving working capital



Risk factors

- Weakening economic situation
- Tightening competitive situation
- Orders being postponed due to COVID
- Result currently in red
- Impact of component shortage on chassis deliveries



Valuation

- With 2022 multiples the company is justifiably priced below the peer group due to the small size and weak 2021 Valuation is cheap with 2023 multiples, which is justified considering the significant risk associated with the earnings turnaround

Logistikas

The acquisition of Logistikas was carried out in December 2020. Logistikas is a logistics service company specialized in demanding customer relationships.

Company description

Logistikas currently operates in seven locations in Finland, both in its own logistics centers and in customers' premises. The Group employs approximately 230 people.

Business model

The services offered by the Group includes service products for local logistics, internal logistics and local warehousing, as well as expert services and comprehensive procurement services. The business model only ties a limited amount of capital.

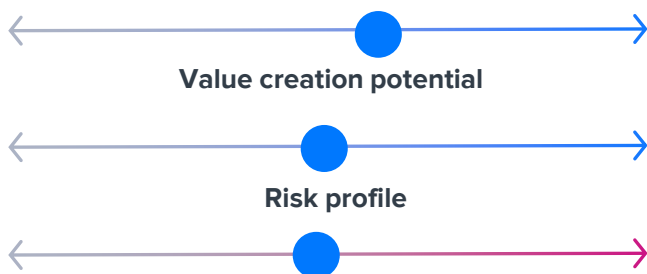
Investment story

Logistikas has gained the reputation of a reliable operator, especially among demanding customers. The company's profitability has also risen to a strong level. With the support of Sievi Capital, the company carried out its first acquisition in July in Vaasa.

Competitive advantage

The company's competitive advantages are the ability to provide a comprehensive service package, strong customer relationships, satisfied personnel, highly invested information system and a good location near the Port of Rauma.

Estimate of earnings growth rate



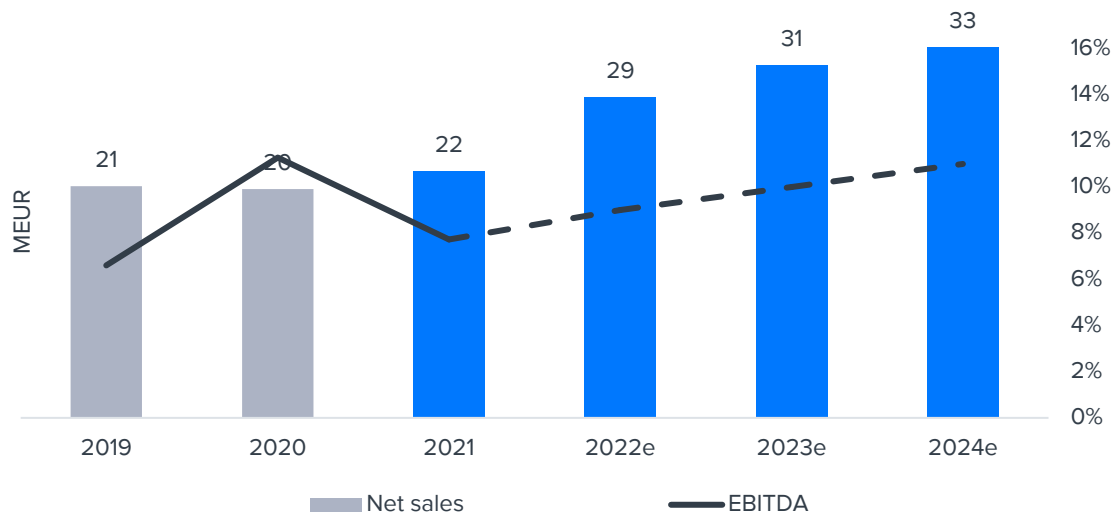
EV/EBITDA
7.0x
2022e

Estimated EV
18
MEUR

Holding
65.9%
2021

Holding
7.3
MEUR

Key figures and estimates:



Value drivers

- The outsourcing rate in logistics is still low in Finland which supports the market
- Continuing sales growth within existing customers
- Continuing new customer acquisition
- Acquisitions will boost growth in the future
- Costs scale with net sales growth



Risk factors

- Weakening economic situation
- Tightening competitive situation
- Failure in acquisitions



Valuation

- We have raised our acceptable estimate range slightly due to the company's good development and outlook
- The valuation is neutral with 2022 multiples, if the earnings improvement continues in line with our estimates there is a clear upside in the value

*2019 figures are pro-forma figures

Rakennuttajatoimisto HTJ

Rakennuttajatoimisto HTJ is Sievi Capital's latest acquisition carried out in October 2021.

Company description

HTJ is a construction consulting company established in 1999. The company provides building construction and supervision services, as well as building engineering services and infrastructure construction services.

Business model

The company focuses on supervision activities that generate good ROE and cash flow. The foundation of the service offering is versatile construction, supervision and project management services.

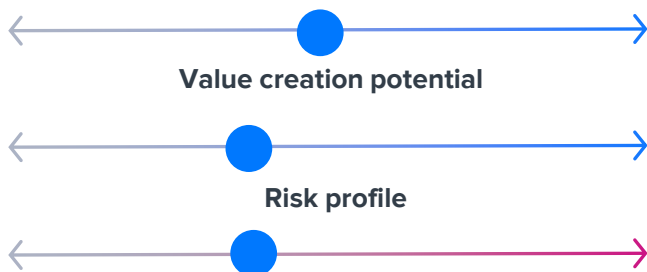
Investment story

The market for the services provided by HTJ is estimated to have grown by an average of some 6% p.a. in 2015-2020. Under Sievi, HTJ's expert business can also grow through acquisitions, whereas in the past the company has only grown organically.

Competitive advantage

The company has strong growth displays and the business has grown organically by over 50% since 2017. Long-term customer relationships, skilled and committed personnel, and a strong service concept and brand form the competitive advantages of HTJ's operations.

Estimate of earnings growth rate



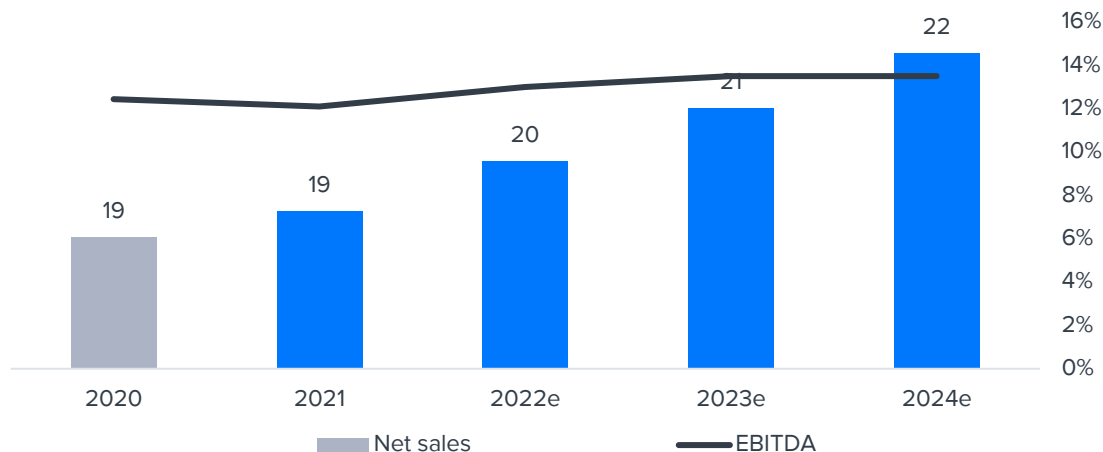
EV/EBITDA
6.5x
2022e

Estimated EV
16.9
MEUR

Holding
92.4%
2021

Holding
10.3
MEUR

Key figures and estimates:



Value drivers

- Strongly growing target market
- Continue growing stronger than the market organically
- In recent years, the biggest growth has come from infrastructure services, which continue to show significant growth potential
- Acquisitions as a growth catalyst



Risk factors

- Weakening economic situation
- Tightening competitive situation
- Failure in acquisitions



Valuation

- A clear discount to listed peers is justified due to the smaller size.
- We have revised the valuation range slightly upwards due to the strong developments

Peer group valuations

Indoor Group*	EV	EV/EBITDA 21	EV/EBITDA 22	P/E 21	P/E 22
Nobia AB	813	6.3	4.9	8.4	7.6
Maisons du Monde SA	1379	5.7	4.9	11.4	10.8
Sanderson Design	122	8.1	7.0	20.7	11.6
Leon's Furniture Ltd	912			7.1	7.3
Williams-Sonoma Inc	8574	8.1	7.0	16.7	9.9
Median	862	7.2	5.8	11.4	10.3
Indoor Group (IFRS)	174	5.4	6.5	11.1	19.9
Difference %	-80 %	-25 %	12 %	-3 %	93 %

KH-Koneet Group	EV	EV/EBITDA 21	EV/EBITDA 22	EV/S 22
Ponsse Oyj	750	10.4	8.5	1.0
Palfinger AG	1442	7.3	7.6	0.8
Volvo AB	41292	5.9	4.1	0.6
Deere & Co	154821	15.8	11.6	2.8
Komatsu Ltd	26759	13.0	7.2	1.2
AGCO Corp	10806	7.6	6.7	0.8
Terex Corp	2880	9.6	6.3	0.6
Caterpillar Inc	141054	14.8	13.0	2.3
Median	18782	10.0	7.4	0.9
KH-Koneet Group	73	7.1	6.0	0.4
Difference %	-100 %	-29 %	-19 %	-59 %

Logistikas	EV	EV/EBITDA 21	EV/EBITDA 22	EV/S 22
DSV A/S	40155	17.8	10.6	1.3
Elanders AB	992	6.8	6.0	0.8
Kuehne und Nagel	31214	9.8	7.7	0.9
PostNL NV	1810	4.5	5.4	0.6
Deutsche Post AG	65548	6.3	5.6	
Wincanton PLC	832	5.4	4.9	0.8
Jetpak Top Holding AB	127	9.8	6.6	0.4
Oesterreichische Post AG	2167	8.3	7.3	0.9
Bpost SA	1673	3.0	2.8	1.0
ID Logistics SAS	2337	8.4	6.7	0.4
Median	17902	7.5	6.3	0.8
Logistikas	18	10.6	7.0	0.6
Difference %	-100 %	40 %	12 %	-25 %

Nordic Rescue Group	EV	EV/EBITDA 21	EV/EBITDA 22	EV/S 22
Rosenbauer International AG	475	10.9	9.5	0.6
Oshkosh Corp	5734	11.8	9.8	0.7
REV Group Inc	999	8.1	7.9	0.4
Median	887	10.9	9.5	0.6
Nordic Rescue Group	13.5	neg	10.4	0.3
Difference %	-98 %	neg	10 %	-46 %

Source: Inderes and Thomson Reuters, valuation levels for the peers collected on May 5, 2022

* Indoor Group EV includes lease liabilities under IFRS 16. NB! We expect Indoor's EBITDA for 2022 to decrease by about EUR 4 million due to the renewal of the ERP system.

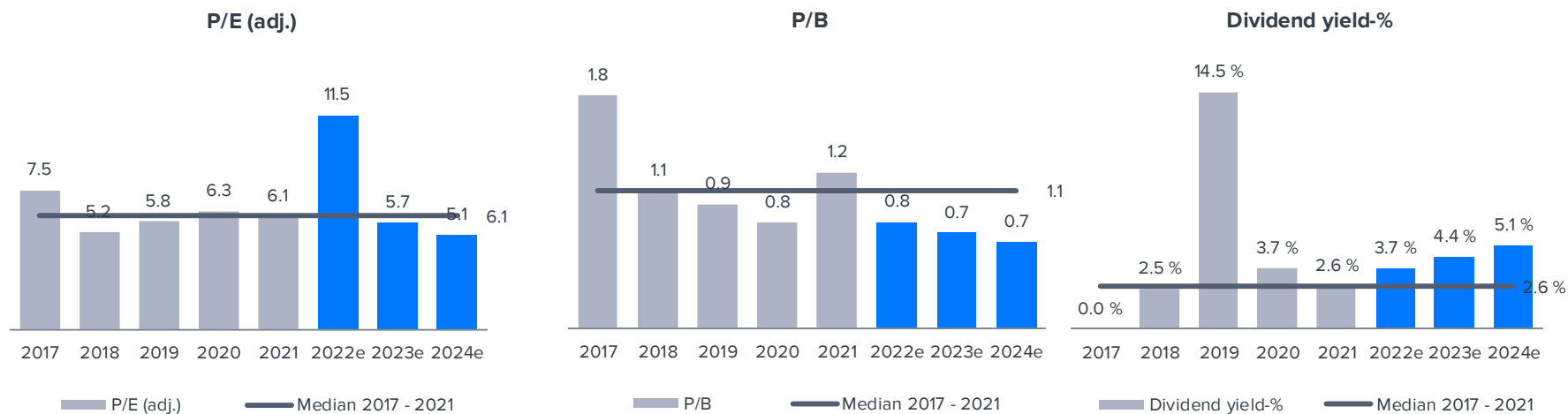
Peer group valuations

HTJ	EV	EV/EBITDA 21	EV/EBITDA 22	EV/S 22
Sitowise Group Oyj	277	10.3	8.9	1.4
Sweco AB (publ)	5079	18.4	15.1	2.2
Afry AB	1552	6.4	6.4	0.7
Rejlers AB (publ)	285	9.5	7.9	0.9
WSP Global Inc	14073	14.5	12.9	2.2
Etteplan Oyj	441	10.1	9.0	1.3
Arcadis NV	3786	10.7	10.1	1.1
Median	1552	10.3	9.0	1.3
HTJ	17	7.3	6.5	0.8
Difference %	-99 %	-28 %	-28 %	-33 %

Valuation table

Valuation	2017	2018	2019	2020	2021	2022e	2023e	2024e	2025e
Share price	1.65	1.22	1.28	1.08	1.92	1.36	1.36	1.36	1.36
Number of shares, millions	57.8	57.8	57.8	58.0	58.1	58.1	58.1	58.1	58.1
Market cap	95	70	74	63	112	79	79	79	79
EV	112	74	42	54	107	63	61	57	54
P/E (adj.)	7.5	5.2	5.8	6.3	6.1	11.5	5.7	5.1	4.5
P/E	7.5	5.2	5.8	6.3	6.1	11.5	5.7	5.1	4.5
P/FCF	4.5	4.4	8.1	5.7	4.8	16.6	5.5	4.8	4.3
P/B	1.8	1.1	0.9	0.8	1.2	0.81	0.73	0.7	0.6
P/S	65.5	19.0	>100	19.6	9.7	39.5	39.5	26.3	26.3
EV/Sales	76.6	19.9	83.3	16.9	9.3	31.7	30.3	19.1	17.9
EV/EBITDA	7.0	4.5	2.6	4.6	5.3	7.6	3.5	3.0	2.4
EV/EBIT (adj.)	7.0	4.5	2.6	4.6	5.3	7.6	3.5	3.0	2.4
Payout ratio (%)	0.0 %	12.8 %	83.5 %	23.4 %	15.8 %	42.1 %	25.3 %	25.8 %	25.5 %
Dividend yield-%	0.0 %	2.5 %	14.5 %	3.7 %	2.6 %	3.7 %	4.4 %	5.1 %	5.7 %

Source: Inderes



Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oyj can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oyj's shareholdings are presented in itemised form in the model portfolio. Inderes Oyj does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oyj does not have investment bank operations.

Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at www.inderes.fi/research-disclaimer.

Based on a notification received on March 25, 2021 Inderes' analyst Sauli Vilén has a holding of over EUR 50,000 in the target company Sievi Capital Oyj.

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

Recommendation history (>12 mo)

Date	Recommendation	Target price	Share price
25-10-18	Sell	1.50 €	2.12 €
05-11-18	Reduce	1.35 €	1.46 €
21-12-18	Reduce	1.25 €	1.25 €
03-03-19	Accumulate	1.35 €	1.30 €
23-08-19	Reduce	1.25 €	1.24 €
30-10-19	Reduce	1.25 €	1.23 €
29-11-19	Accumulate	1.30 €	1.21 €
08-01-20	Reduce	1.40 €	1.40 €
30-01-20	Reduce	1.25 €	1.35 €
04-03-20	Reduce	1.15 €	1.18 €
27-04-20	Reduce	0.90 €	0.87 €
29-04-20	Accumulate	0.92 €	0.88 €
23-06-20	Accumulate	0.98 €	0.89 €
26-08-20	Accumulate	1.10 €	1.04 €
30-10-20	Buy	1.15 €	1.01 €
25-02-21	Buy	1.30 €	1.19 €
14-04-21	Accumulate	1.55 €	1.49 €
30-04-21	Accumulate	1.55 €	1.48 €
17-06-21	Buy	1.65 €	1.34 €
18-08-21	Accumulate	2.10 €	2.06 €
19-08-21	Accumulate	2.80 €	2.39 €
30-09-21	Buy	2.80 €	1.95 €
01-11-21	Accumulate	2.50 €	2.09 €
15-12-21	Accumulate	2.00 €	1.94 €
04-03-22	Buy	1.80 €	1.52 €
17-03-22	Accumulate	1.80 €	1.64 €
06-05-22	Buy	1.80 €	1.36 €



Inderes' mission is to connect listed companies and investors. We produce high-quality research and content for the needs of our extensive investor community.

At Inderes we believe that open data is every investor's fundamental right. We guarantee investors' access to award-winning research, insightful video content and an active investor community.

For listed companies we ensure that there is always high-quality information available on the company for investors and shareholders for decision making, and that data collected from investors can be utilized by the companies.

Over 100 Finnish listed companies want to serve their shareholders and investors through us by utilizing our company research services, data driven IR services, content creation and consulting.

Inderes Oyj

Itämerentori 2

FI-00180 Helsinki, Finland

+358 10 219 4690

Award-winning research at [inderes.fi](https://www.inderes.fi)



STARMINE
ANALYST AWARDS
FROM REFINITIV



THOMSON REUTERS
ANALYST AWARDS



Juha Kinnunen
2012, 2016, 2017, 2018, 2019, 2020



Mikael Rautanen
2014, 2016, 2017, 2019



Sauli Vilén
2012, 2016, 2018, 2019, 2020



Antti Viljakainen
2014, 2015, 2016, 2018, 2019, 2020



Petri Kajaani
2017, 2019, 2020



Joni Grönqvist
2019, 2020



Erkki Vesola
2018, 2020



Petri Gostowski
2020



Atte Riikola
2020



Olli Koponen
2020

**Research belongs
to everyone.**